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May 5, 2020

Honorable David O. Carter
United States District Judge
Ronald Reagan Federal Building, United States Courthouse
411 West Fourth Street, Courtroom 9D
Santa Ana, California 92701-4516
Email: DOC_Chambers@cacd.uscourts.gov

**Re: Objection to selection of 749 S. Los Angeles Street as Safe Parking Site
in Case No. 2:20-cv-02291**

Dear Judge Carter:

Urban Offerings, Inc. is the owner of 755 S. Los Angeles Street, Los Angeles, California 90014, and is in the process of preserving and rehabilitating this 100-year-old building to provide new office, retail and restaurant space (the "Project"). Urban Offerings is investing over \$75 million in the Project, which will bring critically needed jobs to one of the most densely populated neighborhoods in the City of Los Angeles (the "City"). The success of the Project and the jobs it will create has become increasingly important as the unemployment rate is projected to rise as high as 30 percent in the midst of the COVID-19 pandemic.

Urban Offerings hereby files this letter of objection regarding the selection of the adjacent site, 749 S. Los Angeles Street, Los Angeles CA 90014 ("Proposed Site"), as a parking site for RVs pursuant to a settlement in Case No. 2:20-cv-02291. Urban Offerings supports the spirit of this lawsuit in seeking to require that the City and County of Los Angeles ("County") provide immediate shelter for unhoused persons. However the Proposed Site, a surface parking lot in one of the most densely populated portions of the City within the surrounding area of Skid Row, would be a grave error that: (1) is dangerous and unsafe given the ongoing construction at the Project; (2) is contrary to current policy to decentralize services to better serve vulnerable populations of unhoused individuals; (3) would have adverse impacts on nearby businesses and neighbors; and (4) fails to consider several other more appropriate and safer sites.

First, and importantly, the Proposed Site is adjacent to ongoing major construction and is unsafe for residential use. The Project is currently in the middle of construction and will commence building a massive steel structure on the roof. As part of the construction process, large tower cranes will lift steel and other heavy construction materials and machinery through and over the Proposed Site, which will make this empty lot dangerous and unsuitable as a purported "safe" parking site. Major construction at the Project is scheduled to continue throughout the rest of this year and could take even longer. What is more, the Proposed Site sits above a subterranean substation and is therefore unsafe for residential



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uses. In fact, as set forth below, the City previously represented that the Proposed Site could only be used as a parking facility and could not otherwise be developed because of the subterranean substation.

Second, contrary to public policy, the Proposed Site reinforces a containment policy that has proven to have adverse impacts on neighborhoods. Urban Offerings understands all too well the crisis that this lawsuit seeks to address. The Proposed Site is within the boundaries of "Skid Row and the surrounding area" according to a recent settlement in *Mitchell v. City of Los Angeles*, filed in this Court on September 25, 2017 as Case No. CV 16- 01750 (SJO) (JPRx) (the "*Mitchell Settlement*"). Skid Row is a 50-square block area that contains the largest concentration of missions, charities, and other homeless service providers in the City. Due to this historical concentration along with the recent effects of the *Mitchell Settlement*, as aptly stated by Plaintiff, there has been "a sharp decline in the health and safety for housed and unhoused alike" in Downtown, but especially within Skid Row and the surrounding areas. In its current condition, the Proposed Site is not conducive to furthering the goal of helping individuals experiencing homelessness rehabilitate and get back on their feet. True recovery from homelessness requires locations away from the chaos of Skid Row. This policy of relegating homeless services to Skid Row and the surrounding areas that was originally enacted in the 1970's is now widely considered a failure, yet unofficially continues today and would only be further promulgated by concentrating safe parking measures at the Proposed Site.

The Partnership has chosen to invest in this part of Los Angeles because it agrees with experts that, in order to thrive, urban neighborhoods need a diverse variety of uses. While in the 1970's and 80's this portion of Downtown was relegated solely to industrial manufacturers and homeless service providers, it is evolving into a neighborhood filled with adaptively re-used residential buildings, commercial office space and a slowly regenerating ground floor retail to support all uses. The Partnership plans to invest over \$75 million into the redevelopment of 755 S. Los Angeles Street because it has relied on a vision put forth by City officials and echoed in community plan documents that Downtown Los Angeles should evolve into a world class urban center filled with a variety of uses, and that it should not solely bear the burden of the City's homelessness epidemic. The placement of RVs on an adjacent parking lot to house a vulnerable population of homeless individuals so close to the largest concentration of people living on the streets of Los Angeles is not evolving away from an antiquated policy of containment but is supporting an effort to return to it.

Third, in accordance with the City's Sustainable City Plan to increase the number of Electric Vehicle ("EV") charging stations, the Los Angeles Department of Water and Power ("DWP") intended to use the Proposed Site as an EV charging station. The City made express representations to Urban Offerings that the Proposed Site could only be maintained as a parking lot or general hardscape improvements due to the presence of subterranean sub stations that were to be utilized for EV charging stations as part of DWP's larger effort to build out electrical infrastructure to support the EV market in Los Angeles.



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Urban Offerings partners and DWP were in the process of negotiating a letter of intent, which had been drafted and exchanged between the parties, to allow Urban Offerings use of the planned EV charging stations in exchange for a long term lease. To switch course regarding the Proposed Site's use would have a negative effect on the Project, compromise the ability to secure financing, and jeopardize the creation of hundreds of new jobs in the area.

Given the reasons stated herein, a number of other sites within Downtown have been identified that are far better suited for the proposed safe parking site and would better serve vulnerable populations. The sites identified below are suitable alternatives that meet the following criteria: 1) 10,000 square feet or larger; 2) government owned or would result in a net-zero cost to the City; and 3) within the boundaries Council District 14.

- 1425-1451 San Pedro Street- LAUSD owned site, 100,000 square feet
- 1327 S. Lawrence Street- City owned lot, 30,000 square feet

All of these sites are larger than the currently Proposed Site and are situated in areas of less residential density and farther away from the concentration of homeless individuals currently living on the streets of Skid Row. Urban Offerings respectfully requests that the Court consider these sites as an alternative to the Proposed Site.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Rockard J. Delgadillo'.

Rockard J. Delgadillo

cc: Jose Huizar (Via Email: Jose.huizar@lacity.org)
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